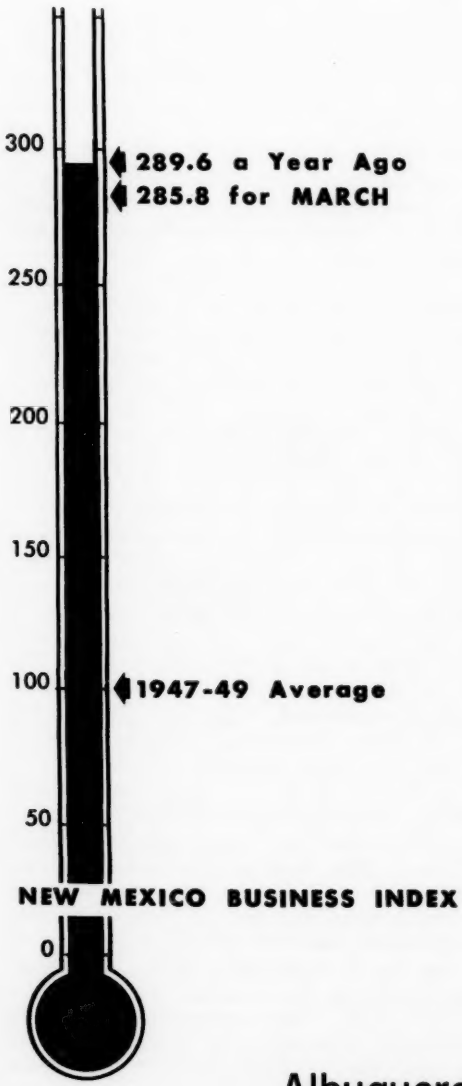
MAY 1960

New Mexico BUSINESS



In March, for the first time in four years business activity dropped below the year-ago level. The last such decline in our overall index occurred in April 1956.

Activity within the construction industry remains disappointing and is probably chiefly responsible for the overall slowdown of our economy. Construction contracts awarded are running almost 50 per cent behind last year's. Residential construction is holding its own on a month-to-month basis, but its volume is only half so large as that during 1959. April building permits show a similar picture, although there was a slight monthly increase. Looking back to 1959, we see that April construction was 33 per cent ahead of that in March and 80 per cent ahead of that in April 1958.

The construction slowdown is reflected in employment-unemployment figures. Though total employment increased slightly, the number of construction workers declined 18 per cent, the only yearly drop. Unemployment is up about 65 per cent from a year ago. The 3,560 increase in insured unemployed probably represents a considerable portion of the 4,000 construction workers laid off.

Albuquerque Retail Food Prices, 1949-1959

Albuquerque Retail Food Prices, 1949-1959

CHARTS by Shirley Huzarski

TEXT by Margaret Meaders

This report deals with a subject that is probably the most common of all the common denominators making up our shared experiences--the cost of food. Like the weather, it is a topic ubiquitous and absorbing. What headline of international import gets attention as quickly as does an announcement of drastic changes in food prices? What front-line communique (short of tidings of victory or of disaster) can entice the citizenry from its numerous absorptions as can one from the food front, relaying the news that eggs will soon cost a dime a dozen more, that orange juice will presently be a nectar too costly for any but the gods?

Probably no other home-town item among the many items contributing to the cost of living is so frequently compared by people from different cities as is the cost of stocking the kitchen shelf. Even while bemoaning the high level of such cost and protesting native-heath loyalty, a citizen of one city is likely to take instant umbrage at the suggestion that the level may be even higher somewhere else. The right to claim the highest grocery prices in the land sometimes seems to occupy first place among the cherished privileges guaranteed Americans by the Constitution.

Of course, there is no getting around the fact that the continuously largest item of expense in most family budgets is food, requiring, as it does, almost 32 cents out of every dollar of consumer disposable income in the nation. And this is, for many people, a modest estimate. The Bureau of Labor Statistics learned from a 1950 survey that urban families with annual incomes under $2,000 were spending 38.4 per cent of such income for food.

The proportion of the average American income being spent for groceries has not changed much during the last quarter of a century, although it could have dropped sharply if we had gone on buying the same foods throughout the period as at its beginning. A much smaller proportion of our 1958 incomes would have supplied us with such items than was true in 1935. What has happened, then? The answer is that we have not been eating more food; we have improved our diets and have also bought many more services with our food dollars.

As Frederick V. Waugh and Kenneth E. Ogren have pointed out in the USDA's Food, the 1959 Yearbook of Agriculture:

"More meat, more dairy products, more eggs, more out-of-season fresh produce, fewer potatoes, less bread and other cereals, less beans: These changes have given consumers a more varied and attractive diet--but also a more expensive one.

"More meals eaten in restaurants, more processed and ready-to-serve foods, more packaging: These changes mean more services to pay for--but less waste, fresher food, and less time in the kitchen for millions."

In an effort to keep the home front informed, to help the innumerable local directors of budgets, to assist industries to keep abreast of the requirements of escalator clauses in their labor contracts, to supply ammunition for arguments pro and con the matter of the overall cost of living in the Albuquerque area, the UNM Bureau of Business Research each month prices between 80 and 85 food items in a representative cross section of the city's food markets--large, small, medium, Heights, Valley. Then we compute average dollars-and-cents changes in prices of individual items and percentage changes in the prices of groups of foods and of all foods together. The percentage changes are shown as indexes expressing relationships between current price levels and those in September 1949, the base period and the time at which the Bureau began pricing foods. The results are published monthly in the Retail Food Price Bulletin, which is sent free upon request to anyone desiring it. The intricate details of the techniques involved in the whole pricing-computing-reporting process are explained in Special Issue No. 8 of the Bulletin, which is also free upon request.

This present report deals comprehensively with the behavior of Albuquerque food prices during the 1949-1959 period, our first decade of checking such prices. For ease in understanding the charts and tables, remember that the starting point on the graphs and for all indexes is 100, which represents the average price level of an item or a group of items or all items in combination (the All-Foods Price Index) in Albuquerque in September 1949. Each successive change in price levels is expressed as a percentage of that basic 100. For example, if 100.0 represents the September 1949 level of the average cost of a market basket made up of all the items we price (in amounts adjusted according to each item's

relative importance), then the fact that the September 1959 All-Foods Index stood at 111.2 means simply that the average cost of such an overall purchase was 11.2 per cent higher this last September than it was 10 years before.

To find actual Albuquerque (average) dollars-and-cents changes and levels for any of 40 items in 1950, 1952, 1954, 1956, 1958, and 1959, consult Table I. For a comparison of average prices of 25 important food items and of the general cost of food in Albuquerque with prices and overall costs in the nation and in other selected cities, consult Tables II, III, and IV. To see how prices of the various food groups behaved during the decade in relation to their base levels, look at the charts. You will, we hope, find this report interesting--cheering in spots, though a shade distressing in others. It should at least help you to understand "where all that money went" during the last distracting decade.

TABLE I

YEARLY AVERAGE PRICES OF FORTY SELECTED FOOD ITEMS IN ALBUQUERQUE
Selected Years: 1950 - 1959
(in cents)

		1950	1952	1954	1956	1958	1959*
Cereals and Bakery Products:							
Flour, wheat	5 lb	52.4	54.8	54.6	53.4	55.7	55.8
Rolled oats	20 oz	16.8	19.1	18.7	19.7	20.6	21.2
Corn meal	lb	10.8	13.0	12.2	12.6	12.9	12.9
Rice, long grain	lb	21.8	21.7	23.9	23.0	24.7	25.6
Bread, white	lb	13.5	16.7	18.0	16.8	19.0	19.1
Meats, Poultry, and Fish:							
Round steak	lb	90.9	103.9	85.3	85.4	99.6	101.8
Rib roast	lb	74.5	82.4	73.7	71.6	85.1	87.9
Chuck roast	lb	62.1	71.3	54.1	50.1	66.3	67.3
Hamburger	lb	54.5	64.1	45.9	44.1	53.6	55.6
Veal cutlets	lb	96.6	114.0	88.0	88.0	117.1	134.2
Pork chops	lb	67.7	74.8	81.3	76.3	90.8	85.4
Ham, whole	lb	59.7	63.9	69.3	59.9	82.1	65.4
Bacon, sliced	lb	65.8	66.7	82.1	60.5	68.9	70.6
Leg of lamb	lb	79.4	89.8	80.1	81.4	87.5	86.1
Fryers, dressed & drawn	lb	67.8	66.9	56.3	50.6	47.2	43.6
Salmon, pink	16 oz can	52.2	59.2	55.4	63.8	61.1	63.0
Fruits and Vegetables:							
Oranges	doz	56.2	59.2	58.5	73.4	73.5	75.7
Apples	lb	15.4	17.9	19.7	19.6	19.7	19.8
Bananas	lb	17.8	18.2	17.2	18.2	17.8	18.1
Potatoes	10 lb	60.5	83.4	69.3	na	67.8	68.3
Green beans	lb	18.5	27.1	22.0	28.2	26.7	29.7
Cabbage	lb	7.2	9.9	7.5	8.5	9.3	9.7
Carrots	lb	10.1	15.2	13.3	13.8	15.5	15.0
Onions	lb	9.4	13.1	7.8	10.2	10.3	14.0
Tomatoes	lb	24.3	26.3	26.3	29.8	31.6	31.2
Lettuce	head	14.9	16.3	15.4	16.4	18.0	17.6
Peaches, canned	#2 1/2 can	28.3	33.4	31.9	34.7	35.4	36.8
Peas, canned	#303 can	18.9	22.5	23.0	22.3	20.5	20.3
Prunes, dried	lb	28.8	29.2	33.5	38.6	35.3	41.0
Navy beans, dried	lb	19.0	20.7	21.8	18.2	19.4	20.1
Dairy Products:							
Butter	lb	72.9	88.1	73.1	75.0	80.8	83.8
Cheese, Amer., proc.	lb	56.2	64.5	60.5	54.6	54.9	55.4
Milk, fresh, grocery	qt	22.0	27.0	24.7	24.2	26.1	26.0
Milk, evap.	14 1/2 oz can	12.4	14.8	13.6	14.1	15.6	15.7
Other Foods:							
Coffee	lb	83.2	87.6	109.8	99.3	92.0	80.3
Margarine, colored	lb	32.3	30.4	31.6	30.4	31.7	29.1
Lard	lb	19.8	18.9	26.2	19.4	22.4	19.4
Salad dressing	pt	37.0	37.4	37.5	37.1	39.4	39.5
Sugar	5 lb	52.5	54.7	52.4	52.5	56.1	57.2
Eggs, fresh, grade A	doz	59.8	68.1	63.0	61.5	61.5	54.1

* Nine months' average

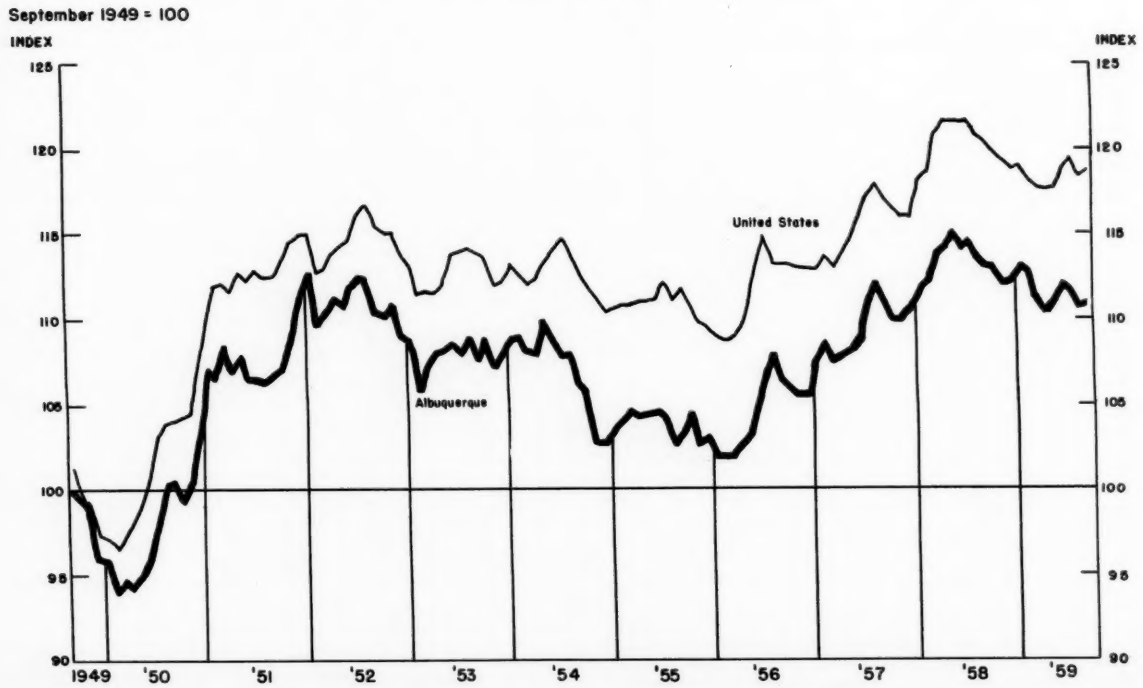
All Foods

The accompanying chart compares the behavior of the Albuquerque All-Foods Index with a similar BLS index for the nation (based upon surveys taken in a large group of representative cities). The heavy black line shows the ups and downs of the cost of food in the Albuquerque area, based upon all the items (and the relative importance of each) regularly priced by the Bureau. The narrow line demonstrates the changes in the combined All-Foods Index for the group of 46 cities--a great many more cities, by the way, than those listed in any of the accompanying tables.

In reading this chart, do not make the mistake of thinking that the actual price levels at the beginning of the chart were the same. Although both indexes are based upon 100, the graph shows simply that food prices in Albuquerque have undergone a smaller overall percentage increase in relation to the base period (September 1949) than have prices in the other 46 cities as a group. It does not show how many pennies have been added to or taken from the actual prices or that--despite its lower route on the chart--the price level of food in Albuquerque has been or is lower in dollars and cents than the corresponding overall price in the group of cities. Differences in prices are not measured here; only the degree of changes since the base period.

The actual cost of hypothetical market baskets filled with identical staples has often been found to be lower in several cities than in Albuquerque. For example, in 1949 and 1951 such a basket would have been less expensive in Butte, Dallas, Denver, Los Angeles, Salt Lake City, San Francisco, and Wichita--to name a few. In 1955, Albuquerque's prices were generally lower than

ALL FOODS



those in Detroit, Los Angeles, Pittsburgh, San Francisco, and Seattle, but much higher than those in Kansas City, Scranton, Minneapolis, and Atlanta. In 1958 a basket holding one each of the 25 items listed in Table IV would have cost more (but still less than $1 more) in Albuquerque than in Atlanta, Chicago, Houston, Kansas City, Minneapolis, New York, and St. Louis. In the other three cities--Los Angeles, Seattle, and Washington, D. C.--it would have cost at least $1.06 more. The costs of these hypothetical market baskets do not represent overall food costs in the respective cities. The only way to calculate overall food costs is to weight each item according to its relative importance to total food buying and then to set up an "average" market basket for each city--something differing greatly from a basket filled with specific items like those in the tables.

It is interesting, however, to see that the two lines on the chart do parallel each other rather closely in direction if not in degree of changes, indicating that the national food-price situation is usually reflected in the local situation. The extra "jiggles" in the Albuquerque index would be present also in an index for any one of the many cities surveyed by the BLS. But when prices from all the cities are combined into a single index, fluctuations in individual cities are offset by the countermovements in others.

What affected food prices so drastically between September 1949 and the end of 1959? These things, chiefly: the Korean war, the 1954-55 economic recession, the post-recession boom, and the 1958-59 tapering-off.

TABLE II

COST OF A MARKET BASKET OF TWENTY-ONE ITEMS
1957, 1958, and 1959*

	1957		1958		1959*	
	Cost	Rank	Cost	Rank	Cost	Rank
ALBUQUERQUE	$11.05	2	$11.68	4	$11.41	3
Atlanta	10.44	11	11.26	9	10.84	8
Chicago	10.54	10	11.19	11	10.72	11
Houston	10.94	5	11.65	5	11.40	4
Kansas City	10.36	12	11.18	12	10.54	12
Los Angeles	10.97	4	11.74	3	11.52	1
Minneapolis	10.57	9	11.23	10	10.76	10
New York	10.79	6	11.40	8	11.21	6
St. Louis	10.70	8	11.42	7	10.93	9
Seattle	11.08	1	11.83	1	11.42	2
Washington, D.C.	10.99	3	11.81	2	11.28	5
United States	10.71	7	11.46	6	11.01	7

*Nine-months' average.
Source: U.S. Bureau of Labor Statistics and Bureau of Business Research, University of New Mexico.

Whereas the figures in Table II show the cost in each city of twenty-five identical items, those in Table III show the comparative cost of all foods consumed by a typical family in each city; e.g., if the average cost of a given food budget averages $100.00 throughout U. S. cities, the same budget would cost $97.63 in Houston and $107.68 in Albuquerque.

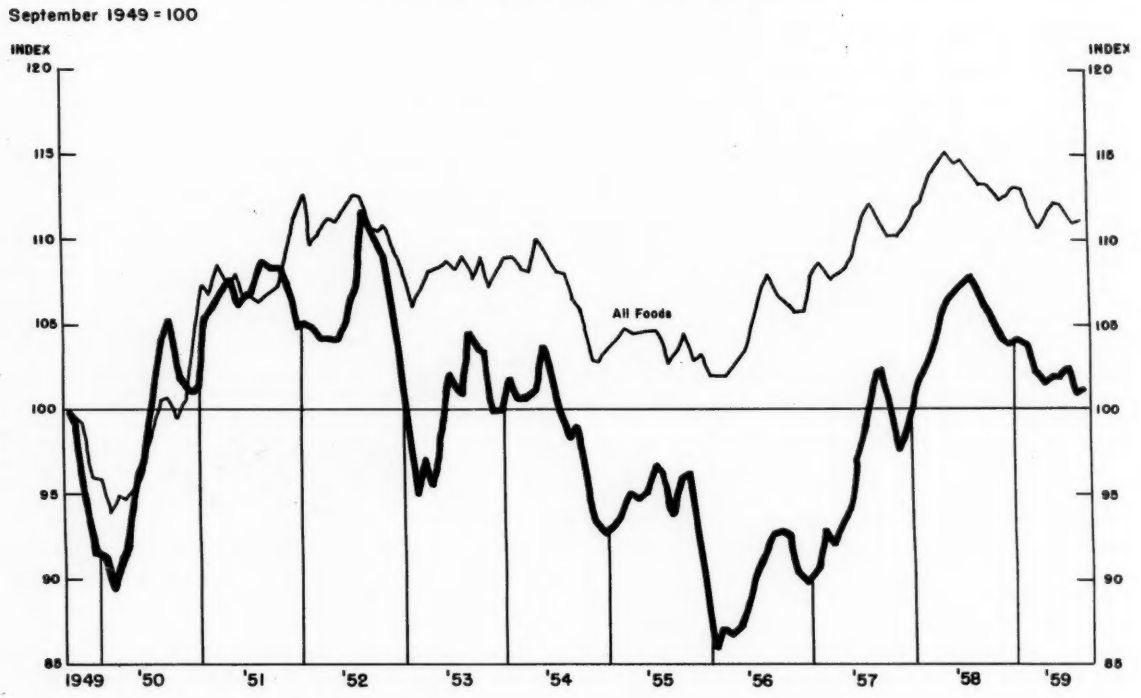
TABLE III

COMPARATIVE COSTS OF A TYPICAL FOOD BUDGET IN SELECTED CITIES
Mid-September 1959

	TOTAL	Rank	Cereals and Bakery Products	Rank	Meats, Poultry, and Fish	Rank	Fruits and Vegetables	Rank	Dairy Products	Rank	Other Foods	Rank
U.S. Average	$100.00	12	$13.63	8	$29.13	13	$18.74	14	$16.64	13	$21.86	15
ALBUQUERQUE	104.41	2	13.58	10	29.64	12	20.80	1	17.31	7	23.08	2
Atlanta	99.21	16	13.17	15	28.70	17	18.49	17	17.28	8	21.57	17
Baltimore	101.56	10	13.15	16	30.39	5	18.23	21	17.48	5	22.31	8
Boston	102.45	9	13.32	13	30.93	3	18.84	12	17.18	9	22.18	11
Chicago	97.57	19	13.24	14	27.58	22	19.09	7	16.69	12	20.97	22
Cincinnati	99.27	14	12.62	21	29.99	8	19.15	5	15.84	18	21.67	16
Cleveland	98.81	17	13.69	7	28.41	19	19.11	6	15.33	20	22.27	10
Detroit	98.70	18	13.00	18	28.48	18	18.76	13	16.30	16	22.16	12
Houston	99.67	13	12.42	22	28.78	16	20.34	2	17.09	10	21.04	20
Kansas City	95.01	22	12.95	19	27.61	21	18.27	20	15.20	21	20.98	21
Los Angeles	103.64	6	15.32	2	30.12	6	19.90	4	16.00	17	22.30	9
Minneapolis	96.46	21	13.37	12	29.07	14	18.71	15	13.93	22	21.38	19
New York	103.77	4	14.20	6	29.73	10	18.38	19	18.77	1	22.69	4
Philadelphia	103.72	5	14.28	5	30.89	4	18.59	16	17.88	3	22.08	13
Pittsburgh	103.32	7	13.50	11	29.86	9	19.03	9	18.02	2	22.91	3
Portland, Ore.	102.73	8	15.30	3	30.01	7	18.42	18	16.40	14	22.60	5
St. Louis	96.80	20	12.71	20	28.33	20	18.85	11	15.52	19	21.39	18
San Francisco	107.68	1	16.03	1	31.72	1	19.98	3	16.84	11	23.11	1
Scranton	99.22	15	13.61	9	28.82	15	17.19	22	17.55	4	22.05	14
Seattle	104.20	3	15.20	4	31.19	2	19.04	8	16.32	15	22.45	6
Washington, D.C.	101.37	11	13.02	17	29.71	11	18.88	10	17.36	6	22.40	7

Sources: U.S. Bureau of Labor Statistics and Bureau of Business Research, University of New Mexico

MEATS, POULTRY, AND FISH



Meats, Poultry, and Fish

Prices in this group have ridden a regular roller coaster during the last decade. Something like 33 per cent of your food money probably went for meat, poultry, and fish during the period. In return, you got from those items 23 per cent of all your food energy, 40 per cent of your protein intake, 4 per cent of the calcium, 34 per cent of the iron, 19 per cent of the Vitamin-A value, 25 per cent of the thiamine (pork is an especially excellent source of thiamine), 21 per cent of the riboflavin, and one half of your total niacin intake. It sounds as if you got your money's worth.

There has rarely been anything half-hearted about the behavior of the prices of items in this category. The index has either been mountain-climbing or headed for Death Valley. Be sure to note, however, that the ascents have only briefly taken the index above the corresponding levels of the All-Foods Index and that the highest peak reached was not so far above the base level as the lowest depth descended to was under that level.

In almost every case, the drops would have been greater had not pork prices modified them. On the other hand, almost all peaks represented concerted rises in prices of both beef and pork. The 1951 and 1952 increases were part of the inflation picture generated by the Korean conflict. Those in 1957 and 1958 resulted from unusually low stocks of pork the first year and smaller supplies of beef, sheep, and lambs in the second. In contrast, the descents which took the level of prices below the base level early in 1950, 1953, and 1955, and the terrific downward plummeting early in 1956 all were caused chiefly by oversupplies of pork. Such big stocks in the springtime are considered seasonal and are usually offset by a leveling off of supplies by the fall, with resulting price adjustments.

As the graph shows, such is not always the case. The drop in the fall of 1959 came from heavier supplies of pork and of the better grades of beef. The pork market was almost glutted, with supplies setting a peacetime record. Civilian consumption last year was approximately 81.5 pounds of beef per person (up a pound from 1958 consumption), 67.8 pounds of pork (12 per cent more than the year before), 10.7 pounds of fish products (slightly higher than in 1958), and new highs in poultry consumption--28.9 pounds of chicken and 6 pounds of turkey. Nationally, retail prices for beef averaged 2 per cent above those in 1958, those for pork were down nearly 8 per cent, those for fish were somewhat lower, while those for chicken were a little lower but those for turkey were somewhat higher.

Fruits and Vegetables

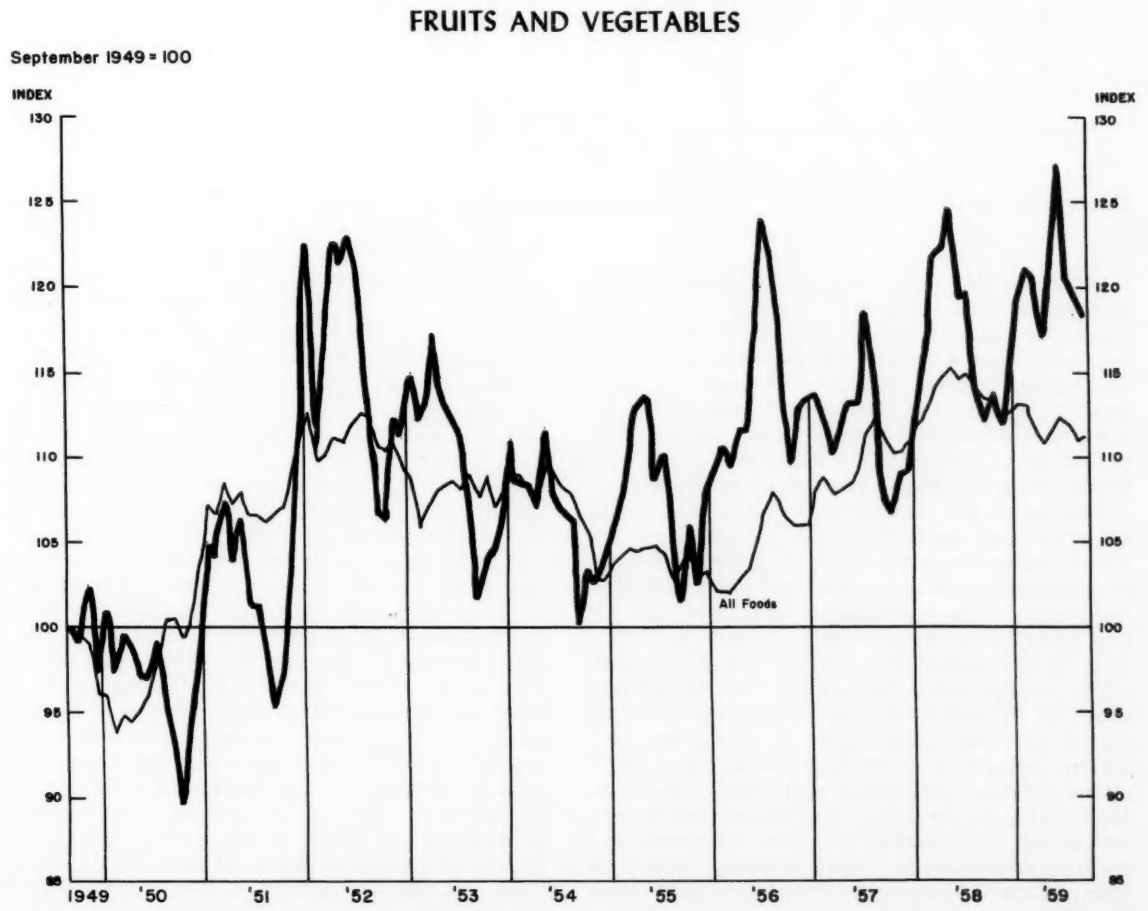
The Himalayan profile of the fruits-and-vegetables index makes the all-foods line look flat and uninteresting. No other index has climbed so high above its September-1949 starting point or been so erratic, soaring upward each year, but also plunging downward within the same 12 months. The compelling factor is the seasonal appearance (and disappearance) of fresh produce.

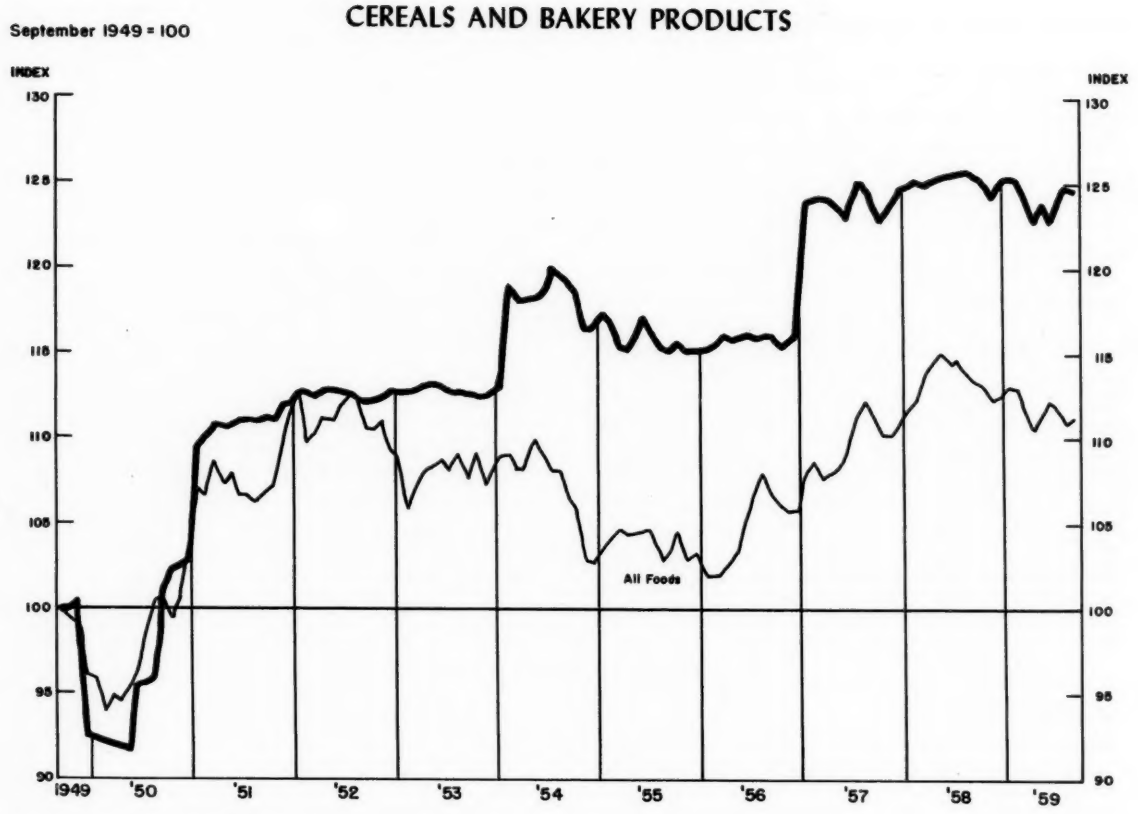
About 22 per cent of your food budget goes for fruits and vegetables (1 for dry beans and peas and nuts; 5 for citrus fruit and tomatoes; 2 for dark-green and deep-yellow vegetables; 2 for potatoes; 12 for other fruits and vegetables). In return, your family has received these percentages of its total food elements: 12 of the proteins and the calcium, 13 of the food energy and the riboflavin, 22 of the niacin, 25 of the thiamine, 27 of the iron, 51 of the Vitamin A, and 93 of the ascorbic acid.

The abyss reached by the index in the fall of 1950 resulted partly from sliding potato prices (the potato supply was very heavy), which dropped, nationally, 16 per cent during that year, and partly from declines beyond the usual seasonal ones in the prices of most fresh vegetables. The mountain tops of late 1951 and mid-1952 were brought on by bad weather and high consumer demand (which together pushed vegetable prices up from 15 to 69 per cent during 1951) and by price supports for potatoes.

The terrific 1956 upswing was spurred by high-priced potatoes, a Florida freeze, a bad winter in Europe necessitating heavy food exports, and a cold, wet spring in this country. Fall crops eased the situation. The new high reached in 1958 and the all-time high which surpassed it in 1959 can be laid to higher prices for frozen fruits and vegetables and dried and canned items and to inadequate harvests, resulting from cutbacks in potato acreage and a late citrus harvest.

Fruit-and-vegetables prices are more attractive on graphs than on grocery shelves. We should concentrate on that 93 per cent of all our ascorbic acid!





Cereals and Bakery Products

The heavy line in the cereals-and-bakery-products graph looks much like a trail up a three-level mesa. It has been topped only by the fruits-and-vegetables index and has been much less erratic. The explanation lies partly in the complete homogeneity of the nine items represented by the index--wheat flour, biscuit mix, corn flakes, rolled oats, corn meal, long-grain rice, white bread, soda crackers, and vanilla cookies.

For the 10 per cent of the average food budget spent on these foods, the buyer gets three or four times that percentage--in terms of the total diet--of such nutrient values as energy, iron, thiamine, and niacin. The percentages are these: 15 per cent of calcium and riboflavin, 25 per cent of niacin, 26 per cent of iron, 34 per cent of thiamine.

The major factor influencing the movements shown on the graph was the price of bread. Since almost half the money spent on this group goes for the proverbial staff of life, even slight price shifts influence the index markedly. The first drop shown on the graph, paralleling fairly well that of the All-Foods Index, was the result of a general reduction in bread prices. The first rise, lifting the line up to the plateau just above the 110-per cent level, was also powered by a change--this time an increase--in bread prices, accompanied by slight gains in those of most of the other items except corn meal.

The next movement upstairs--to the twin peaks of 1954--was sparked by a slight rise in flour prices, a 2-cents-a-pound increase in bread prices, and a gain of 6 cents for a 7-ounce box of vanilla cookies. Much of the 1954 bread-price increase came after the OPS decontrolled prices of cereals and bakery products in 1953. Nationally, bread cost 8 per cent more by the end of 1954 than at the time of decontrol, with higher manufacturing and distributing costs accounting for most of the change.

Easing of bread prices lowered the index onto the 1955-56 plain, but renewed vigor of such prices sent it shooting upward again in 1957 to the third plateau indicated by the graph. During 1957 and 1958 there was another substantial upward turn in the cost of bread. Also, because of the smallest crop in 12 years, rolled oats became much more expensive; because of higher processing expenses, corn flakes took more consumer money; because of increasing per capita consumption of rice, those prices reached their highest level in nearly 20 years. As a final touch, prices of vanilla cookies, of corn meal, and of flour all showed ambitions for more rarefied atmosphere.

Dairy Products

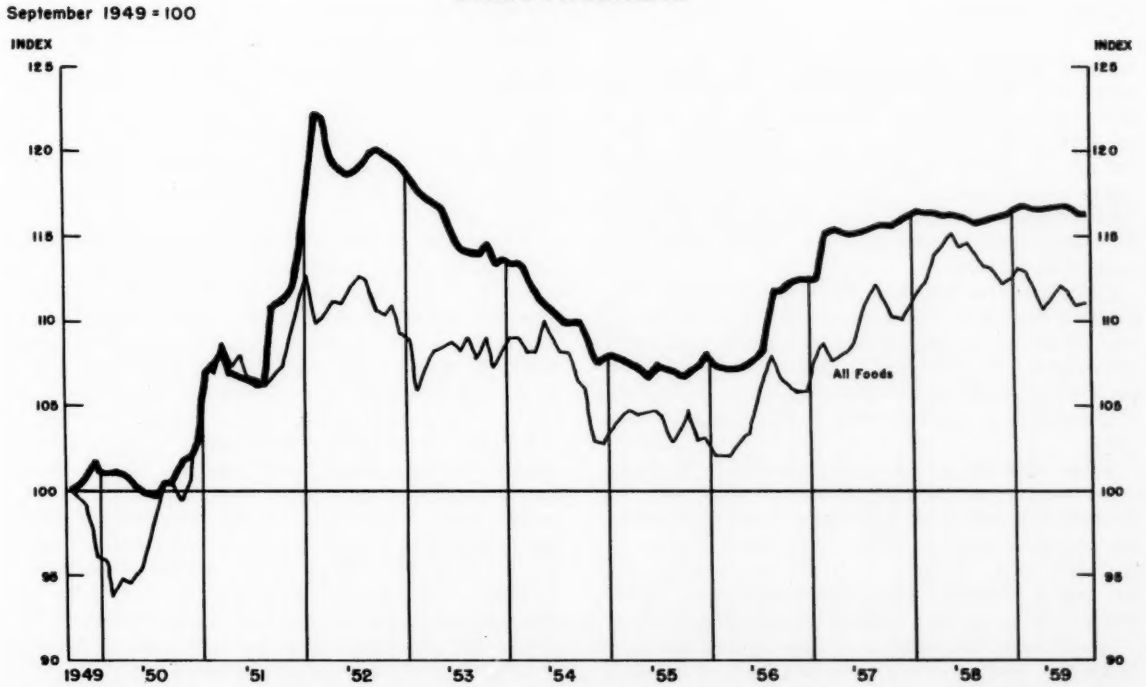
The Dairy-Products Index, unlike all the other indexes, has ascended a single Mt. Everest since 1949. Also unlike the others, it has barely dipped below the base line, and then just once.

Only six items are included in this category--fresh milk delivered to your door, fresh milk bought at grocery stores, evaporated milk, butter, American processed cheese, and vanilla ice cream. Contrast this small number with about 18 items in both the meats-poultry-fish group and the "other" or miscellaneous group, approximately 30 items in the fruits-and-vegetables group, and almost 80 items represented by the All-Foods Index. It is easy, in the light of the small size of this category, to spot the major influences directing the movements of the dairy-products line on the graph: (1) the price of fresh milk, which accounts for almost 66 cents out of every consumer dollar spent for dairy products; and (2) the close relationship existing among the six products, which results in few conflicting price trends.

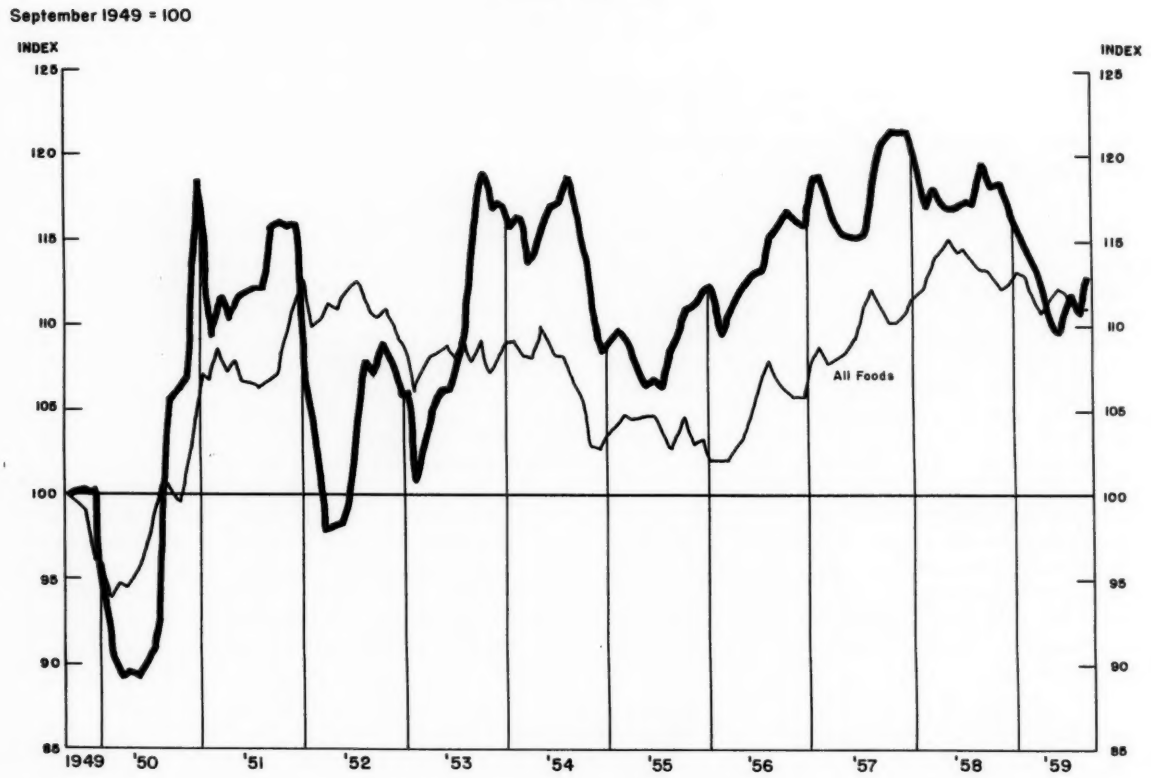
Milk, cheese, and ice cream take about 14 per cent of your food funds. In return, you get--of your total nutrients--15 per cent of the energy, 22 per cent of the protein, 44 per cent of the riboflavin, 65 per cent of the calcium, and 13 per cent of the Vitamin A and of the thiamin.

The great heights achieved by the index in 1952 were caused by substantial increases, begun late in 1950 and acquiring considerable momentum in 1951, in the prices of fluid milk and a sharp rise in butter prices early in 1952. By September 1952 fresh milk averaged about 5 cents more a quart and evaporated milk about 2 1/2 cents more per 14 1/2-ounce can than in September 1949. Thereafter, prices for most dairy products eased considerably through 1954, leveled off for almost two years, and then moved upward again, though not at anything like the rapid rate or to the heights of the 1952 climb. Butter and cheese purchases by the Commodity Credit Corporation, negotiated in 1958 to support weakened prices, helped strengthen and then stabilize such prices. Increased processing and handling costs had already raised ice cream prices up a little in 1957.

DAIRY PRODUCTS



OTHER FOODS



Other Foods

Items making up this category are 18 miscellaneous foods, including partially prepared items like pork and beans, condiments and sauces, beverages, fats and oils, sugar and sweets, eggs, and gelatin. The most important are coffee and eggs, which together account for two fifths of all "other-foods" expenditures. The total spending for such items consumes about 21 per cent of all your food dollars.

Contributions made by this group to the total nutrient supply of the average diet include 30 per cent of the food energy, about 16 per cent of the Vitamin A, 10 per cent of the iron, 7 per cent each of the protein and the riboflavin, 4 per cent of the calcium, and about 3 per cent of the thiamine.

When both the price of eggs and that of coffee move in the same direction--as they did, for example, in mid-1950 and again later that year--the index is sure to move with them: note the mid-1950 dip, because such prices dropped, and the quick recovery and additional upward spurt, because those prices soon were soaring.

Sometimes, the behavior of the prices of one of these two major items is in marked contrast to the behavior of the prices of the other item. Such pronounced movements can, by themselves, determine the direction taken by the group index. For example, during the 1950-1953 period coffee prices stayed pretty well put, especially in 1952; but egg prices could not seem to roost on the same limb two months in succession. The result was an index that skittered up and down, but mostly down.

The 1953 and 1954 high points can be attributed to sharply rising coffee prices, which set a local record of $1.22 a pound in July 1954. A substantial decrease during the same period in egg prices was not strong enough to counterbalance the high-flying coffee tabs. The 1957 crest came at a time when egg prices were still not particularly strong; but coffee prices, though down considerably from their 1954 high, were still far above the September 1949 levels. Other influences contributing to both the 1957 and the 1958 peaks were higher prices for margarine, lard, shortening (top reached, April 1957), salad dressing (stronger in 1958), peanut butter, and sugar. In 1959, coffee prices weakened all year. During the first half, egg prices kept them company; but from July on egg prices were stronger, thereby managing to turn the index upward again.

TABLE IV

AVERAGE RETAIL PRICES OF TWENTY-FIVE SELECTED FOOD ITEMS

Albuquerque, Ten Cities, and U. S. Average, 1957, 1958, and Nine Months' Average for 1959

(in cents)

	Albuquerque			Atlanta			Chicago		
	1957	1958	1959*	1957	1958	1959*	1957	1958	1959*
Flour, 5 lbs.	55.7	55.7	55.8	56.1	57.4	56.0	51.5	51.6	50.9
Bread, lb.	19.0	19.0	19.1	18.5	19.3	19.3	17.1	17.1	18.3
Round steak, lb.	90.4	99.6	101.8	92.4	101.8	108.6	79.5	89.1	91.8
Chuck roast, lb.	56.6	66.3	67.3	55.1	66.8	68.8	47.7	56.2	58.3
Hamburger, lb.	46.5	53.6	55.6	38.2	50.4	54.2	41.0	53.2	55.1
Pork chops, lb.	83.6	90.8	85.4	76.9	81.5	78.8	85.2	89.8	84.0
Bacon, lb.	76.9	82.1	70.6	74.0	78.4	68.2	71.0	76.9	66.3
Ham, lb.	65.9	68.9	65.4	60.8	65.6	61.3	61.4	65.9	61.1
Fryers, dressed, lb.	47.2	47.2	43.6	42.3	43.0	40.1	43.1	42.7	39.2
Butter, lb.	79.8	80.8	83.8	78.8	79.4	80.1	73.7	73.2	73.8
Cheese, lb.	54.0	54.9	55.4	na	na	na	58.6	59.3	59.9
Milk, fresh delivered, qt.	26.7	26.8	26.8	26.7	27.1	26.7	27.9	25.8	26.4
Orange juice, frozen, 6 oz.	18.4	27.2	25.9	18.7	27.6	26.1	17.7	25.9	24.2
Apples, lb.	22.2	19.7	19.8	17.8	15.5	15.5	18.7	16.4	16.2
Oranges, doz.	68.9	73.5	75.7	42.8	62.3	57.2	60.4	79.6	68.1
Potatoes, 10 lbs.	57.5	67.8	68.3	55.8	60.6	61.0	63.9	70.7	73.7
Tomatoes, lb.	29.8	31.6	31.2	26.6	30.0	29.3	34.1	35.2	33.6
Peaches, canned, #2 1/2 can	34.9	35.4	36.8	34.3	34.9	37.0	35.2	33.8	31.5
Peas, canned, #303 can	21.8	20.5	20.3	22.8	22.3	21.4	20.8	20.2	19.8
Tomatoes, canned, #303 can	15.3	16.5	16.1	14.4	na	14.2	14.2	16.0	15.0
Coffee, lb.	99.2	92.0	80.3	102.3	93.2	80.1	100.8	89.3	77.1
Margarine, lb.	31.9	31.7	29.1	25.6	25.9	25.6	29.7	29.5	28.4
Salad dressing, pt.	37.6	39.4	39.5	33.3	34.7	35.1	35.5	36.1	36.1
Sugar, 5 lbs.	55.4	56.1	57.2	53.5	55.8	56.8	55.2	55.1	56.4
Eggs, doz.	58.3	61.5	54.1	58.3	61.8	52.1	55.2	58.0	49.3

TABLE IV (continued)

	Houston			Kansas City			Los Angeles		
	1957	1958	1959*	1957	1958	1959*	1957	1958	1959*
Flour, 5 lbs.	53.4	53.7	52.1	47.6	50.0	49.3	60.5	63.3	63.4
Bread lb	15.2	16.7	16.8	17.7	18.7	18.7	20.8	21.8	22.9
Round steak, lb.	87.7	98.8	106.1	85.5	95.9	98.3	93.4	98.9	104.2
Chuck roast, lb.	51.5	61.8	64.8	50.2	61.2	59.9	56.8	67.0	69.4
Hamburger, lb.	41.7	54.1	58.4	42.3	53.9	56.1	41.8	51.5	52.8
Pork chops, lbs.	80.3	87.1	83.5	85.8	89.7	81.8	98.6	102.6	98.3
Bacon, lb.	73.7	79.8	68.1	69.4	74.7	62.4	77.9	83.2	71.6
Ham, lb.	64.1	69.0	64.7	60.3	66.0	60.0	65.6	66.7	62.7
Fryers, dressed, lb.	46.8	46.8	41.7	47.1	46.6	40.6	57.4	54.8	48.8
Butter, lb.	79.7	80.7	81.8	72.5	73.5	74.0	73.7	76.0	77.8
Cheese, lb.	62.2	63.5	62.2	53.5	55.5	56.0	57.0	58.0	57.6
Milk, fresh delivered, qt.	26.1	26.5	26.5	22.4	20.9	22.2	22.8	23.9	24.3
Orange juice, frozen, 6 oz.	17.1	25.9	25.2	16.6	25.8	23.2	19.0	27.6	27.4
Apples, lb.	21.5	19.3	19.3	17.4	15.0	15.1	17.8	15.2	16.5
Oranges, doz.	60.5	75.1	73.6	61.5	79.1	66.7	51.9	74.9	62.4
Potatoes, 10 lbs.	84.5	87.2	92.4	62.2	70.7	66.8	70.7	77.8	88.3
Tomatoes, lb.	28.2	29.9	27.2	29.6	31.3	27.4	26.3	28.9	26.8
Peaches, canned, #2 1/2 can	35.0	34.5	35.8	33.5	34.0	34.6	31.6	30.8	33.9
Peas, canned, #303 can	21.9	21.1	20.0	20.6	21.3	20.7	20.6	20.7	20.5
Tomatoes, canned, #303 can	14.4	15.3	14.2	13.9	15.9	15.1	na	na	na
Coffee, lb.	101.5	88.9	77.1	98.4	87.9	76.4	99.4	88.7	79.8
Margarine, lb.	30.4	30.1	28.1	26.5	27.2	25.8	29.1	28.8	27.9
Salad dressing, pt.	37.4	38.3	38.1	36.2	38.0	37.6	38.4	40.5	40.9
Sugar, 5 lbs.	50.6	52.3	51.9	55.0	56.2	56.4	54.8	56.5	57.7
Eggs, doz.	62.2	64.6	56.6	51.4	54.7	46.8	55.0	57.6	50.9

TABLE IV (continued)

	Minneapolis			New York			St. Louis		
	1957	1958	1959*	1957	1958	1959*	1957	1958	1959*
Flour, 5 lbs.	56.5	56.0	55.4	52.2	53.5	53.5	53.0	51.7	51.2
Bread, lb.	17.5	18.4	18.3	19.6	20.5	21.5	18.6	18.4	18.4
Round steak, lb.	86.2	94.8	97.2	100.4	111.8	117.2	92.3	101.7	104.4
Chuck roast, lb.	58.8	65.4	68.4	52.1	63.7	62.4	50.5	63.5	66.1
Hamburger, lb.	41.3	53.8	55.6	40.1	46.7	49.7	43.3	54.8	57.3
Pork chops, lbs.	83.8	88.7	85.0	87.8	93.8	88.6	84.1	88.4	80.3
Bacon, lb.	73.8	80.2	69.7	75.9	84.1	74.7	70.8	76.6	64.8
Ham, lb.	65.6	68.6	63.9	62.8	68.6	65.2	61.1	66.2	60.6
Fryers, dressed, lb.	46.7	46.1	43.1	na	na	42.1	44.1	44.2	39.2
Butter, lb.	70.4	69.5	69.6	74.1	74.2	74.6	79.1	78.3	79.1
Cheese, lb.	59.1	58.6	58.5	59.0	59.7	60.0	57.6	56.0	57.6
Milk, fresh delivered, qt.	18.5	18.5	18.5	28.5	30.2	30.6	22.5	22.4	23.1
Orange juice, frozen, 6 oz.	18.9	27.0	26.4	17.6	26.5	24.8	19.1	26.7	25.6
Apples, lb.	18.7	17.8	16.7	16.0	15.8	15.0	17.2	15.6	15.4
Oranges, doz.	64.9	81.7	68.2	58.9	79.2	69.8	59.8	76.2	63.8
Potatoes, 10 lbs.	48.3	57.1	56.9	50.3	53.8	57.9	62.4	71.3	73.4
Tomatoes, lb.	29.2	31.0	30.2	29.2	32.0	29.4	28.2	31.2	29.1
Peaches, canned, #2 1/2 can	35.4	35.0	37.4	34.9	34.5	36.3	35.2	34.1	35.3
Peas, canned, #303 can	21.8	21.4	20.5	21.7	20.9	20.2	21.2	20.7	20.1
Tomatoes, canned, #303 can	16.6	17.8	17.1	15.2	17.5	16.0	16.0	17.5	16.1
Coffee, lb.	101.9	90.4	78.9	103.8	92.3	78.1	102.5	90.9	79.5
Margarine, lb.	na	na	na	31.0	30.5	29.2	28.6	28.1	26.3
Salad dressing, pt.	36.6	36.7	37.2	35.9	36.7	36.2	37.8	38.2	38.0
Sugar, 5 lbs.	58.2	58.3	58.5	53.1	54.6	55.1	56.0	56.3	56.6
Eggs, doz.	50.8	52.8	44.0	64.4	67.6	59.9	54.8	59.0	51.3

TABLE IV (continued)

	Seattle			Washington, D. C.			United States		
	1957	1958	1959*	1957	1958	1959*	1957	1958	1959*
Flour, 5 lbs.	58.3	60.5	57.5	53.4	54.6	54.6	54.6	55.2	54.6
Bread, lb.	21.5	22.5	23.4	17.8	18.4	18.3	18.8	19.3	19.7
Round steak, lb.	96.2	108.4	115.0	107.7	116.0	117.2	93.6	104.2	107.6
Chuck roast, lb.	52.8	64.8	66.7	52.7	63.5	65.7	52.5	63.3	64.3
Hamburger, lb.	43.8	52.7	53.0	43.7	54.0	56.4	42.0	52.9	55.2
Pork chops, lb.	89.2	94.3	90.1	90.4	97.7	91.6	86.6	91.8	86.1
Bacon, lb.	76.8	81.1	69.8	75.7	81.8	70.6	73.8	79.3	68.4
Ham, lb.	62.8	67.2	67.6	64.7	69.8	64.8	63.1	67.7	63.1
Fryers, dressed, lb.	59.7	60.0	54.8	44.5	45.3	41.1	46.9	46.5	42.4
Butter, lb.	74.5	74.3	72.4	76.2	75.8	75.6	74.3	74.2	74.6
Cheese, lb.	58.3	58.4	58.5	58.1	56.8	54.4	57.6	58.0	58.2
Milk, fresh delivered, qt.	24.3	23.8	23.8	27.3	27.5	27.6	25.0	25.3	25.1
Orange juice, frozen, 6 oz.	19.7	27.9	26.7	18.2	28.1	26.0	18.3	27.0	25.7
Apples, lb.	17.9	15.4	15.7	16.5	17.2	15.0	16.5	14.7	14.8
Oranges, doz.	69.5	89.2	77.3	48.6	72.0	59.6	57.9	76.0	65.7
Potatoes, 10 lbs.	56.2	60.1	64.2	61.7	65.2	65.6	57.1	62.6	64.2
Tomatoes, lb.	32.8	34.7	32.7	29.7	32.1	32.2	29.5	32.1	29.5
Peaches, canned, #2 1/2 can	33.8	34.3	34.8	33.0	32.9	34.9	34.6	34.2	36.0
Peas, canned, #303 can	20.6	20.8	20.0	20.4	19.9	19.4	21.5	21.1	20.6
Tomatoes, canned, #303 can	na	na	na	13.4	16.4	14.3	15.0	17.0	15.6
Coffee, lb.	100.6	90.5	77.7	106.2	94.3	80.3	101.7	90.7	78.5
Margarine, lb.	31.6	31.3	28.9	31.5	30.3	28.8	29.9	29.4	28.1
Salad dressing, pt.	39.0	40.1	39.3	36.7	37.2	36.7	37.2	37.8	37.8
Sugar, 5 lbs.	57.1	58.7	59.1	53.7	54.8	56.0	55.2	56.3	57.0
Eggs, doz.	60.7	61.4	54.5	64.8	67.8	59.4	57.3	60.4	52.3

* - Nine-months' average
na - Not available
Source: U. S. Bureau of Labor Statistics and UNM Bureau of Business Research

Business Activity in New Mexico

	March 1960	Year Earlier March 1959	Per Cent Change March 1960 from Feb. 1960	Per Cent Change March 1960 from Mar. 1959	INDEX March 1960 (Average Month 1947-49 = 100)
Index of Business Activity (1947-49 = 100)	285.8	289.6	+ 5.8	- 1.3	285.8
Sales Data: Not available. See March 1959 issue of NEW MEXICO BUSINESS					
*Life Insurance Sales (1,000s)	$ 22,805	$ 22,011	+ 11.3	+ 3.6	650.3
*Bank Debits, 36 banks (1,000s)	509,493	499,813	+ 4.2	+ 1.9	313.4[a]
Bank Loans and Discounts, 36 banks (1,000s)	49,884	54,134	+ 3.7	- 7.8	291.7[a]
Demand Deposits, 36 banks (1,000s)	343,528	346,152	- 0.4	- 0.8	181.2[a]
Time Deposits, 36 banks (1,000s)	133,473	119,113	+ 2.0	+ 12.1	372.9[a]
Business Failure Liabilities (1,000s)[b]	146	59	+ 27.1	+146.6	508.3
Wage Workers in Nonagricultural Establishments	229,300	226,400	+ 0.3	+ 1.3	174.1
in Mining	20,200	19,400	- 0.5	+ 4.1	162.0
in Contract Construction	18,600	22,600	+ 2.8	- 17.7	147.2
*in Manufacturing	16,800	16,700	+ 1.2	+ 0.6	182.0
in Transportation and Utilities	20,300	20,300	- 1.9	0.0	133.6
in Trade	47,900	46,700	+ 0.4	+ 2.6	165.2
in Finance, Insurance, and Real Estate	8,600	8,400	0.0	+ 2.4	296.6
in Services and Miscellaneous	34,400	32,500	+ 0.3	+ 5.8	158.0
in Government	62,500	59,800	+ 0.2	+ 4.5	219.0
Number of Insured Unemployed	8,841	5,285	- 0.9	+ 67.3	--
Rate of Unemployment (per cent of labor force)	4.69	2.85	- 1.5	+ 64.6	301.8
Construction Contracts Awarded (value in 1,000s)	$ 14,263	$ 26,600	- 25.3	- 46.4	--
Residential (value in 1,000s)	$ 6,753	$ 12,169	+ 9.4	- 44.5	--
Number of Permits	525	1,103	+ 16.4	- 52.4	--
Floor Area (1,000 sq ft)	639	1,170	+ 9.6	- 45.4	--
Nonresidential (value in 1,000s)	$ 2,669	$ 4,505	- 12.2	- 40.8	--
Floor Area (1,000 sq ft)	241	321	- 6.6	- 24.9	--
Heavy Engineering (value in 1,000s)	$ 4,841	$ 9,926	- 51.0	- 51.2	--
*Petroleum Production (1,000s of bbls)	8,864	8,587	+ 3.9	+ 3.2	233.7
Natural Gas Production (millions of cu ft)	72,529	59,366	+ 4.4	+ 22.0	450.9
*Electric Power Production (1,000s of kwhs)	300,660	257,328	+ 5.4	+ 16.8	340.7
*Index of Total Metallics Production (1947-49 = 100)	88.9	75.0	- 21.5	+ 18.6	88.9
Mine Production - Copper (1,000s of lbs)	12,740	13,648	- 26.4	- 6.7	120.5
Mine Production - Lead (1,000s of lbs)	740	na	+ 46.8	na	71.3
Mine Production - Zinc (1,000s of lbs)	2,400	na	- 8.2	na	37.6
*Mine Production - Potash (1,000s of tons)	1,301	1,246	+ 6.7	+ 4.4	325.1
Index of All Farm Prices (1947-49 = 100)	103.1	107.6	+ 3.4	- 4.2	103.1
Index of Livestock Prices	112.1	118.8	+ 4.1	- 5.6	112.1
Index of Crop Prices	88.1	86.5	+ 0.9	+ 1.8	88.1
Receipts from All Farm Marketings (1,000s)	$ 12,311	$ 11,992	+ 9.8	+ 2.7	138.9
Livestock and Products	7,001	6,645	+ 4.2	+ 5.3	111.1
Crops	5,310	5,347	+ 37.8	- 0.7	209.6

	April 1960	Year Earlier April 1959	Per Cent Change April 1960 from Mar. 1960	Per Cent Change April 1960 from Apr. 1959	INDEX April 1960 (Average Month 1947-49 = 100)
Bank Debits, 36 banks (1,000s)	$492,671	$512,181	- 3.3	- 3.8	303.1[a]
Bank Loans and Discounts, 36 banks (1,000s)	50,625	51,034	+ 1.5	- 0.8	296.1[a]
Demand Deposits, 36 banks (1,000s)	336,289	345,596	- 2.1	- 2.7	177.4[a]
Time Deposits, 36 banks (1,000s)	133,032	118,593	- 0.3	+ 12.2	371.8[a]
Wage Workers in Nonagricultural Establishments	234,200	229,100	+ 1.9	+ 2.2	177.8
Number of Insured Unemployed	7,260	4,358	- 17.9	+ 66.6	--
Rate of Unemployment (per cent of labor force)	3.78	2.33	- 19.4	+ 62.2	243.3
*Building Permits, total 18 cities (1,000s)	$ 8,818	$ 14,831	+ 2.8	- 40.5	306.6[a]
Residential	4,709	10,213	+ 1.0	- 53.9	264.0[a]
Nonresidential	3,056	3,532	+ 80.5	- 13.5	418.8[a]
Other	1,053	1,086	- 52.5	- 3.0	290.3[a]
Index of All Farm Prices (1947-49 = 100)	102.1	112.4	- 1.0	- 9.2	102.1
Index of Livestock Prices	109.4	123.2	- 2.4	- 11.2	109.4
Index of Crop Prices	91.7	94.0	+ 4.1	- 2.4	91.7

*Indexes for these items are used to compute the Index of Business Activity.

[a]Although the number of reporting units changes, the indexes for these items are comparable with indexes for preceding months.

[b]The figures in this series are based on the average of three months' data.

na - not available

Sources:

Retail Sales Data: N. M. Bureau of Revenue

Potash Production: N. M. Bureau of Revenue

Petroleum and Natural Gas Production: N. M. Oil Conservation Commission

Life Insurance Sales (New Ordinary): Life Insurance Agency Management Association

Wage Workers and Unemployment: N. M. Employment Security Commission and U. S. Department of Labor

Electric Power Production: Federal Power Commission

Metallics Production: U. S. Bureau of Mines

Farm Prices and Marketings: U. S. Agricultural Marketing Service

Bank Data (all series) and Building Permits: Bureau of Business Research

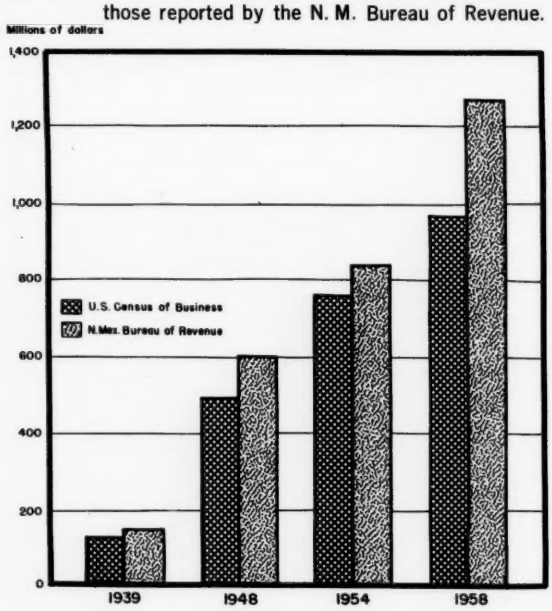
Business Failure Liabilities: Dun & Bradstreet, Inc.

Construction Contracts: F. W. Dodge Corporation

CHART-OF-THE-MONTH

Volume 13, Number 5

Total Retail Sales reported by the U. S. Census of Business are usually smaller than those reported by the N. M. Bureau of Revenue.



New Mexico Business Is Published Monthly By The Bureau of Business Research College of Business Administration
University of New Mexico, Albuquerque
Subscription Price Four Dollars Per Year
MEMBER: ASSOCIATED UNIVERSITY BUREAUS OF BUSINESS AND ECONOMIC RESEARCH

Entered as second-class matter January 31, 1949, at the post office at Albuquerque, New Mexico, under the act of August 24, 1912.

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